APPENDIX

Judgment

UNITED STATES COURT OF APPEALS
FOR THE NINTH CIRCUIT

No. 18130

RADIATOR SPECIALTY COMPANY, *Appellant*,

v.

RICHARD MICEK, *Appellee*.

APPEAL from the United States District Court for the Southern District of California, Central Division.

THIS CAUSE came on to be heard on the Transcript of the Record from the United States District Court for the Southern District of California, Central Division and was duly submitted.

ON CONSIDERATION WHEREOF, It is now here ordered and adjudged by this Court, that the judgment of the said District Court in this Cause be, and hereby is affirmed.

Filed and entered January 15, 1964

UNITED STATES COURT OF APPEALS
FOR THE NINTH CIRCUIT

No. 18,130

Jan. 15, 1964

RADIATOR SPECIALTY COMPANY, a Corporation, *Appellant*,

v.

RICHARD MICEK, *Appellee*.

Appeal from the United States District Court for the Southern District of California, Central Division

Before: CHAMBERS, STEPHENS and JERTBERG, Circuit Judges.

CHAMBERS, Circuit Judge:

This is a patent and misuse of confidential information contest between the owners of two flushing devices in toilet tanks, Micek, plaintiff-appellee, owns POSITIVE FLUSH CONTROL. Radiator Specialty, defendant-appellee, owns SEAL-O-MATIC. Each is patented, Micek filing first. The claims of each patent are set out in the appendix hereafter.

The district court has held claims 1 to 7 of the POSITIVE FLUSH CONTROL infringed by SEAL-O-MATIC and that there was a misuse of confidental information by SEAL-O-MATIC's owners. Also, attorney fees were awarded Micek (POSITIVE) against Radiator Specialty (SEAL-O-MATIC). But the court denied Micek any relief on his claim of unfair competition. As is standard procedure in patent cases, amounts of damage remain for future determination. We affirm the district court.

For many, many years the conventional outlet valve from the water closet to a toilet bowl involved a rubber ball on the bottom end of a perpendicular rod or wire

(usually brass). In repose, the rubber ball sat in a collar on the top of the outlet pipe. If in good order, the ball sitting in the pipe collar blocked the exit of water to the toilet bowl as long as desired. To activate the water and flush the bowl, one would press the conventional handle on the outside of the water closet. This would lift a lever which raised the rod and ball and let the water out. In due time, after the departure of the water, the ball, still on its rod, would drop down and seal up the outlet. Then the process of refilling the tank would begin. When filled, the incoming water would be cut off by the inlet valve and float ball, the familiar hollow brass sphere (now often plastic) on a stiff long wire or arm.

For residence use, the water tank type of bathroom fixture continues to be the conventional type, necessitating always inlet and outlet valves. As indicated, we deal here with the outlet valve.

Over the years, both inlet and outlet valves have been sources of trouble and the subject of attempts by the householder to fix them, or perhaps a hurried call for the plumber. Apparently the conventional rod apparatus has too much "play" in its permissible movement, although anything which has been standard so long must have some merit.

Of recent years, there has been a spate of new patents aimed at the outlet. Most seem to retain some sort of a ball to seat itself in the outlet pipe's top collar. Adjacent to all outlet valves is an overflow drain pipe, which is convenient to fasten things to or around. Micek worked out a clamp bracket to go around the drain pipe. (Obviously that was easy.) The bottom of the clamp collar sits an inch or two above the bottom of the drain pipe. Then a yoke straddles the pipe. This is made of heavy wire which narrows as it reaches the area over the outlet collar. The rubber ball is suspended from the double arm formed by the yoke. Into the bracket the two wires turn as they are

astraddle the pipe. Thus the pivot is formed by the two ends of the yoke as they hook into the bracket. At the loop on the yoke a chain is fastened which is connected to the conventional trip lever of the water closet. In use, when the chain lifts the ball and yoke out of the outlet collar the yoke and ball swing in a short arc of approximately 90 degrees upward against the overflow pipe. (Thus, the movement contrasts from that of the usual vertical plunger and ball.) In due time, the arm yoke and ball swing down and the outlet pipe is again closed. Apparently both parties believe the device achieves a stability of function not known in the conventional type. The yokes of POSITIVE and of SEAL-O-MATIC are very, very much alike. The rubber ball itself, which is not part of the patent, fastens identically through the channel of the parallel arms. POSITIVE's arms fasten into the clamp in behind the overflow pipe. SEAL-O-MATIC's pivoting starts in the clamp at the point of maximum diameter of the pipe. The SEAL-O-MATIC device's mounting is a little simpler, but if Micek's patent is valid, copying in principle by Radiator Specialty seems obvious. We agree with the trial court that Radiator's device infringes claims 1 to 7 of the Micek patent through a substitution of equivalents.

We have traced through all of the prior art patents placed in evidence by the parties and we do not find Micek's patent anticipated by any of them. The presumption of validity, to us, remains unimpaired. Broken up into little parts, there is nothing new about any feature. But it is the combination of many old elements that has created something new (for the moment at least) beyond the ordinary mechanic's skill.

We find that the trial court's findings as to breach of a confidential relationship are well supported. There was something worse than merely tough competition. We hold that the principles of McKinzie v. Cline, 197 Ore. 184, apply. At this point, it should be pointed out that any

damage for this breach will probably all be included within the damage to be ascertained for the patent infringement.

Radiator objects to the award of attorney fees to Micek. As we analyze appellant's objection thereto (although it may not concur in the analysis) it really attacks the validity of the findings on the two causes of action which have been sustained. Of course, if someone has unwittingly infringed on another's patent, we would not approve attorneys' fees. But here there have been findings supported by substantial evidence that there was poaching on the product of Micek's mind in a rather aggravated way. Under such findings, allowance of reasonable attorneys' fees is within the discretion of the trial court.

The judgment and decree are affirmed.

(Endorsed) Opinion Filed Jan. 15, 1964.

FRANK H. SCHMID, *Clerk*.

APPENDIX

A. *The Positive Flush Control Patent.*

The Claims passed by the patent office on February 19, 1957, on Micek's patent are as follows:

> 1. A valve ball mounting for a toilet flush tank having an overflow pipe and outlet provided with a valve ball seat, and a valve ball coacting with said seat, a hinge bracket mounted on said pipe, hinge means carried by the bracket, a resilient yoke straddling said pipe to extend at its forward end portion over said ball and having free rear ends held by the resiliency of the yoke in pivotal engagement with said hinge means, stop means on said bracket coacting with the rear ends or said yoke and disposed to space the the rear end portions of the yoke away from said hinge means and limit the yoke against lateral play to swing in a straight

path lying in a plane with the center of said seat, and means connecting the ball with the forward end portion of said yoke.

2. A valve ball mounting for a toilet flush tank having an overflow pipe and outlet provided with a valve ball seat, and a valve ball coacting with said seat, a hinge bracket mounted on said pipe, a resilient yoke straddling said pipe to extend at it forward end portion over said ball and having free rear ends provided with trunnions pivotally engaged with said bracket and adapted to be spread for disconnecting the yoke from the bracket, said trunnions having terminal end faces, stop means on the bracket coacting with the end faces of said trunnions and disposed to limit the yoke against lateral play to swing in a straight path lying in a plane with the center of said seat, and means connecting the ball with the forward end portion of said yoke.

3. A valve ball mounting for a toilet flush tank having an overflow pipe and outlet provided with a valve ball seat, and a valve ball coacting with said seat, a hinge bracket mounted on said pipe, a yoke straddling said pipe to extend at its forward end portion over said ball and having free rear ends provided with trunnions pivotally engaged with said bracket, lugs carried by the bracket and abutting the ends of said trunnions for limiting the yoke against sidewise movement on the bracket to swing in a straight path lying in a plane with the center of said seat, and means connecting the ball with the forward end portion of the yoke.

4. A valve ball mounting for a toilet flush tank having an overflow pipe and outlet provided with a valve ball seat, and a valve ball coacting with said seat, a hinge bracket mounted on said pipe, a yoke provided at its forward end portion with a beak having closely spaced sides defining an unobstructed area therebe-

tween extending over said ball and formed at their rear ends with diverging offsets provided with rearwardly extending legs straddling said pipe and having trunnions pivotally engaged with said bracket, and means extending between the sides of said beak and connecting the ball with said yoke, said offsets being disposed to engage said pipe when the yoke is swung upwardly and limit the ball to a shortened upward throw determined by the arc of said offsets.

5. A valve ball mounting for a toilet flush tank having an overflow pipe and outlet provided with a valve ball seat, and a valve ball coacting with said seat, a hinge bracket fixed to said pipe and including a body plate having spaced hinge lugs thereon and provided between said lugs with stop lugs facing said hinge lugs, a yoke extending at its forward end portion over said ball and provided with legs straddling said pipe and having trunnions thereon pivotally engaged through said hinge lugs to abut said stop lugs for limiting the yoke against sidewise movement on the bracket to swing in a straight path lying in a plane with the center of said seat, and means connecting the ball with the forward end portion of said yoke.

6. As a new article of manufacture, a valve ball mounting for toilet flush tanks including a bracket having spaced hinge lugs thereon and provided with a clamp for connecting said bracket with an overflow pipe, a yoke adapted to carry a valve ball and provided with spaced resilient side portions having trunnions thereon pivotally engaged with said hinge lugs, the side portions of the yoke being adapted to be spread for freeing said trunnions from said lugs, and stop lugs carried by said bracket to abut the ends of said trunnions for limiting the yoke against sidewise movement on the bracket to swing in a straight path.

7. A valve ball mounting for a toilet flush tank having an overflow pipe and an outlet provided with

a valve ball seat, and a valve ball coacting with said seat, a hinge bracket mounted on said pipe, a yoke composed of a length of resilient material formed medially with a loop having straight sides defining a slot therebetween and provided at their rear ends with rearwardly diverging offsets terminating in spaced rearwardly extending legs straddling said pipe and having trunnions extending in alignment at the rear ends of said legs and pivotally engaged with said bracket supporting the yoke to extend at the loop thereof over said ball, and means extending through said slot fixing the ball to said loop and adjustable longitudinally of said slot for centering the ball with respect to said seat, the offsets of the yoke being disposed to engage said pipe when the yoke is swung upwardly and limit the ball to a shortened upward throw determined by the arc of said offsets.

8. A valve ball mounting for a toilet flush tank having an overflow pipe and an outlet provided with a valve ball seat, and a valve ball coacting with said seat, a hinge bracket including a body plate having lateral ears thereon, one of said ears being provided with an L-shaped slot having a vertical portion extending transversely of said ear and a horizontal portion extending lengthwise of said ear and cooperating with the vertical portion of said slot to define a corner lug in the angle between said portions of the slot, a strap cooperating with the body plate to provide a clamp embracing said pipe, said strap being formed at one end with a tongue having an uninterrupted lower edge and provided at its upper edge with a notch, said tongue being of a major width substantially equal to the length of the vertical portion of said slot and being, without tilting the strap and while the width of the strap faces the width of said body plate, slidably receivable through the vertical portion of said slot to dispose of said notch opposite said lug as well as

laterally shiftable in the horizontal portion of said slot to engage said lug in said notch and connect the strap at one end thereof with said ear, means connecting the strap at its opposite end to the other of said ears and binding the bracket on said pipe, spaced rearwardly projecting hinge lugs carried by the body plate, a yoke extending at its forward end portion over said ball and provided with spaced legs straddling said pipe and having trunnions thereon pivotally engaged through said hinge lugs, means connecting the ball with the forward end portion of said yoke, and means carried by the body plate to coact with said trunnions and limit the yoke against lateral play to swing in a straight path lying in a plane with the center of said seat.

B. *The Seal-O-Matic Patent.*

The claims of the Branch patent, assigned to Radiator Specialty Company, passed by the patent office on January 29, 1957, are as follows:

1. A flush control unit comprising a collar strap arranged for clamping around a flush tank overflow pipe, said collar strap having a pair of ears offset outwardly therein at diametrically opposite positions with a diametrically aligned pivot apertures in said ears, a yoke member formed with a pair of symmetrical leg portions joined at one end and extending adjacent the joined ends thereof in relatively closely spaced parallel relation for a substantial length and then spreading to terminate at inwardly angled pivot arm portions fitting said pivot apertures with the inwardly extending ends thereof abutting said overflow pipe and thereby preventing any lateral shifting of said yoke member, and a valve ball secured at the closely spaced length of said leg portions by fastening means extended between said leg portions and seated on a clamping washer having opposite downwardly rounded edges reaching over said leg portions and thereby preventing said leg portions from spreading.

2. A flush control unit comprising a collar strap arranged for a clamping around a flush tank overflow pipe, said collar strap having a pair of ears offset outwardly thereon at diametrically opposite positions with diametrically aligned pivot apertures in said ears, a yoke member formed with a pair of symmetrical leg portions joined at one end and extending adjacent the joined ends thereof in relatively closely spaced parallel relation for a substantial length and then spreading to terminate at inwardly angled pivot arm portions fitting said pivot apertures with the inwardly extending ends thereof abutting said overflow pipe and thereby preventing any lateral shifting of said yoke member, and a valve ball secured at the closely spaced length of said leg portions by fastening means extended between said leg portions and seated on a clamping washer having opposite downwardly rounded edges reaching over said leg portions and thereby preventing said leg portions from spreading.

3. A flush control unit for use in combination with a flush tank drain housing having a valve ball seat formed therein and fitted laterally of said seat with an overflow stand pipe, said unit comprising a collar strap arranged for clamping about the full circumference of said overflow stand pipe at an adjusted position, said collar strap having a pair of ears offset outwardly therein at diametrically opposite positions with diametrically aligned pivot apertures formed in said ears, a yoke member formed with a pair of symmetrical leg portions joined at one end and formed at the other ends thereof within inwardly angled pivot arm portions fitting said pivot apertures with the inwardly extending ends thereof abutting said overflow pipe and thereby preventing any lateral shifting of said yoke member, said leg portions extending adjacent the joined ends thereof in relatively closely spaced parallel relations for a length sufficient to reach across

said housing valve seat when said arm portions are fitted in said pivot apertures, and said leg portions being crimped inwardly in relatively closely spaced relation from the joined ends thereof for forming an anchoring eye thereat, a valve ball secured at the closely spaced length of said leg portions at an adjusted position in relation to said housing valve seat by fastening means extended between said leg portions and seated on a clamping washer having opposite downwardly rounded edges reaching outwardly over said leg portions and thereby preventing said leg portions from spreading, and a lift chain secured at one end in said anchoring eye.

UNITED STATES COURT OF APPEALS FOR THE NINTH CIRCUIT

Excerpt from Proceedings of Wednesday, April 1, 1964

Before: CHAMBERS, STEPHENS & JERTBERG, *Circuit Judges.*

Order Denying Petition for Rehearing

On consideration thereof, and by direction of the Court, IT IS ORDERED that the petition of appellant filed February 12, 1964, and within time allowed therefor by rule of court, for a rehearing of above cause be, and hereby is denied.

UNITED STATES COURT OF APPEALS
FOR THE NINTH CIRCUIT

No. 18130

RADIATOR SPECIALTY COMPANY, *Appellant,*

v.

MICEK, *Appellee.*

Order Staying Issuance of Judgment

Upon application of CHANNING L. RICHARDS, ESQ. counsel for the Appellant, and good cause therefor appearing, IT IS ORDERED that the issuance, under Rule 26 of the certified

copy of the judgment of this Court in the above cause be, and hereby is stayed pending the filing, consideration and disposition by the Supreme Court of the United States of a petition for writ of certiorari to be made by the Appellant herein, providing such petition is filed in the clerk's office of the Supreme Court of the United States on or before May 29, 1964. In the event the petition for writ of certiorari is granted, then this stay is to continue pending the final disposition of the case by the Supreme Court of the United States.

RICHARD H. CHAMBERS
United States Circuit Judge.

Date: San Francisco, Calif.
April 6, 1964

IN THE UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF CALIFORNIA
CENTRAL DIVISION

Civil Action No. 986-58-PH

RICHARD MICEK, *Plaintiff*,

v.

RADIATOR SPECIALTY COMPANY, a corporation, *Defendant*.

Decree

In accordance with the findings of fact and conclusions of law signed by the Court in this cause on March 28, 1962, it is herewith ordered, adjudged and decreed:

1. That an injunction shall be issued out of and under the seal of this Court restraining the defendant, Radiator Specialty Company, its agents, servants, and employees, and each and every one of them from directly or indirectly making, using or selling, or causing to be made, used or sold, any valve ball mountings for toilet flush tanks embodying the invention claimed in claims 1, 2, 3, 4, 5, 6, and

7 of Letters Patent No. 2,781,520 and from in any way infringing any of said claims of said Letters Patent or upon the rights of the plaintiff under said claims.

2. That the defendant shall forthwith account to the plaintiff for fair compensation and reward to plaintiff for defendant's infringement of the patent and for defendant's unjust enrichment arising from its breach of confidence aforesaid.

3. That plaintiff is entitled to recover from defendant reasonable attorney's fees for the entire proceedings herein.

4. That in order to accomplish the accounting by defendant to plaintiff and the determination of the amount of reasonable attorney's fees for plaintiff, all issues arising from such accounting and fixing of attorney's fees are segregated from the above, and the now concluded and adjudicated issues of the pretrial order herein, and reserved for further hearing and determination upon application of either party.

5. That the plaintiff have and recover judgment against the defendant for the costs of suit to date, without prejudice to further costs herein.

Dated at Portland, Oregon, this 23rd day of April 1962.

WILLIAM G. EAST
United States District Judge

Entered: April 27, 1962

IN THE UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF CALIFORNIA
CENTRAL DIVISION

Civil Action No. 986-58-PH

RICHARD MICEK, *Plaintiff*,

v.

RADIATOR SPECIALTY COMPANY, a corporation, *Defendant*.

Opinion

EAST, J.

Plaintiff Richard Micek (Micek) is a citizen of the State of Colorado, doing business as Micek Manufacturing Company of Walsenburg, as a small craftsman, and the defendant Radiator Specialty Company, a corporation (Company), is a citizen of North Carolina, engaged in a national marketing business qualified to do business within the State of California, and has a regular and established place of business in Los Angeles.

Micek is now and has been since its issuance on February 19, 1957 (filed May 17, 1954), the owner of United States Letters Patent No. 2,781,520 (patent and device in suit), trade-named by Micek "Positive Flush Control."

Company is now and has been since shortly after its issuance to Frank F. Branch on January 29, 1957 (filed February 2, 1955), the owner of United States Letters Patent No. 2,779,028 (accused patent and device trade-named by Company "Seal-O-Matic").

CONTROVERSY

Micek's action is for alleged:

1) Infringement of his patent by the accused device manufactured and distributed by Company;

2) Breach of Micek's confidence and misuse of confidential information by Company; and

3) Unfair competition by Company

with the amounts in controversy exceeding, exclusive of interest and costs, the sum of $10,000.00.

Company denies all allegations tending to establish liability and damage and asserts defenses of estoppel and of unclean hands on the part of Micek.

Jurisdiction

This Court has jurisdiction of the alleged patent infringement cause under Title 28 U.S.C.A. §§ 1338(a) and 1400(b) and the misuse of confidence and unfair competition causes under Title 28 U.S.C.A. § 1332.

Findings of Fact

The Court finds from the evidence and admitted facts that the devices which the parties manufactured and marketed under their respective patents are commonly used flush-control units for toilets.

Micek experimented with various devices over some considerable months, until he devised the valve ball mounting yoke and bracket component parts of the device covered by the patent in suit.

About May 17, 1954, Micek went on the market with Positive and, through Mountain View Sales Company, received acceptance and was building up a prospective respectable business, which it appears would have expanded to substantial volume, depending, of course, upon marketing techniques. In June, 1954, Company became aware of Micek's marketing attempts and corresponded with Micek, offering to supply him with the rubber tank balls for the Positive and extending its assistance in marketing the device. Later in the month, Micek communicated interest in a distribution set-up, listing a price of $2.95 per unit, and forwarded Company one packaged Positive unit with a demonstrator. In July, 1954, Micek forwarded to Com-

pany a copy of his patent application, with drawings of the device, as requested by Company. On August 11, Mr. Hoffman, a division manager for Company, and Micek held a lengthy conference in Denver during which various manufacturing and marketing plans, ideas, die and metal uses, were discussed. However, nothing concrete in the way of firm agreements was reached. Further correspondence as to suggested prices for Monel clamps, yoke and clamp screw for the unit prospectively to be assembled and marketed by Company was exchanged in August. Shortly, it seems, the positions of the parties grew further apart as to prices, suspicions arose, and negotiations between the parties terminated. On September 17, 1954, the Company, at Micek's prior request, returned his patent application and drawings of the Positive unit, which showed considerable evidence of handling. Of hindsight interest is the following quotation from the letter of enclosure:

> "As far as your patent application is concerned, Mr. Micek, you can be sure that every respect will be given your rights under any patent which is issued. Obviously, it's difficult to estimate at this time just what kind of patent will be issued because of the many prior patents which have been issued on similar products. However, we've been in business for a good many years and we have always respected patent rights belonging to others just as we expect such observance from others. Everything that we are doing on a flush control mechanism at the present time, is being done with the advice of highly competent patent attorneys. So, you can be sure that there is no need for concern along this line."

Frank F. Branch was an employee of Company and made drawings, dated September 14, 1954, of the unit later covered in his patent and subsequently transferred to Company as aforesaid.

The similarity between the Branch drawings of the Seal-O-Matic unit device and the drawings of the Positive unit device forwarded to Company by Micek is, to say the least, most striking.

During September, 1955, Micek resumed the marketing of the Positive unit and met with Company's Seal-O-Matic heavy competition in the late fall and winter of 1955-56. Friction between the parties increased from the competing markets and salesmen's representations.

Following the issuance of the Micek patent, marketing cartons of the Micek unit carried the patent number, either by sticker or original printing.

On March 16, 1957, Micek, through his counsel, notified Company of alleged infringement of his patent in suit by the accused device marketed by Company under its patent.

On March 31, 1958, Micek instituted proceedings in the United States District Court for the District of Colorado against A. Y. MacDonald Manufacturing Company and Denver Brass & Copper Co., each of Denver, who were wholesalers selling the Seal-O-Matich unit of Company to retailers and plumbers in the area. Micek alleged infringment of his patent in suit by the Seal-O-Matic device handled by the defendants. The litigation between the mentioned parties in Denver terminated in a consent decree acknowledging validity of the patent in suit and infringement thereof by the Seal-O-Matic unit and restraint of defendants from further marketing of the Seal-O-Matic unit. Company was cognizant of the litigation.

Discussion and Conclusions as To Validity of Patent In Suit

It must be conceded that in dealing with these patents we are involved in a very crowded art; nevertheless, the seven claims of Micek's patent are presumed to be valid. *Pacific Contract Laboratories* v. *Solex Laboratories*, 209 F. 2d 529 (9th Cir. 1953).

Without going into great detail, it seems to me that Micek, after some considerable experimentation, first conceived a hinged up-and-down swinging beaked detachable yoke made of resilient wire, and pipe clamps with yoke holding and stop means as an integral part of the clamp, all of which were novel and which he first taught to the art. Micek aligned these features into a workable and acceptable flush device. The summation of Judge Barnes in *Moist Cold Refrigerator Co.* v. *Lou Johnson,* 249 F. 2d 246, 254 (9th Cir. 1956), is apropos:

> "The significance of proof, both of lack of prior discovery and of public acceptance thereafter, is that this is some evidence that the inventor has done something in his combination which, even though obvious now, was not then obvious to those skilled in the art."

The presumption of validity in favor of Micek's patent has not been overcome by the evidence in the case, and I conclude that Micek's patent No. 2,781,520, with its seven claims, is valid.

DISCUSSION AND CONCLUSION AS TO ALLEGED INFRINGEMENT

Company also has the benefit of the presumption of validity of its (Branch's) patent No. 2,779,028, under which the accused device seeks shelter and claims protection. While it is manifest that Company is not a party to nor a privity with the Colorado consent decree of validity of Micek's patent and infringement thereof by the accused device, it is pertinent to note that the evidence shows and the brief of defendant admits that Company had knowledge of the proceedings and the accusation against its device and patent, but nevertheless elected not to defend the same.

The claims of the respective patents involved are well-known to the parties and counsel and no good cause or office will be served by delineating them herein.

It seems to me that *Fortner & Perrin, Inc.* v. *Perrin*, 180 F. Supp. 770 (S.D. Cal. 1960) and *Webster* v. *Speed Corp.*, 158 F. Supp. 472 (D. Ore. 1957), set a good pattern and guide posts for the conclusion of this case.

> ". . . For it is a fundamental principle of the law of patents that a change of form or the reversal or transposition of parts in a device cannot avert infringement if the parts so changed as to form, or position or their transposition result in a device which performs the same function as the patented device." [Citations in footnote.] Fortner, *supra*, at p. 772.

May I paraphrase a quoted (Micek's brief) portion of Webster, *supra:*

> That the (resilient wire yoke and pipe bushing with its incorporated holding and stop arrangement) of (Company's) device is of somewhat different form and arrangement cannot be relied upon by (Company) to escape a holding of infringement. Paraphrasing a holding in this Court: (Company) substituted a known equivalent for (Micek's yoke and bracket) arrangement, which accomplishes the same result by the same means, and the co-operating factors have the same function as those delineated by (Micek). *Myers* v. *Beall Pipe & Tank Corp.*, 36 F. Supp. 752 (D. Ore. 1940).

Micek in his brief makes good arguments and position that his claims 1, 2, 4 and 7 read directly on or over the accused device and Company's claims therefor. This I don't conclude, as I am content for the purpose of this opinion to conclude that Micek's patent claims 1 through 7 are infringed by the Company's accused device through a "substitution of equivalents." Webster, *supra.* The presumption of the validity of Company's patent vanishes in light of all the evidence in the case.

Discussion and Conclusion on Alleged Misuse of Information Imparted In Confidence

I can find no more accurate abstract statement of the law involved than this language taken from *McKinzie* v. *Cline*, 197 Ore. 184, 191:

> . . . it is clear that the inventor may be protected where there is a confidential obligation on the other party of good faith, and, further, that liability is predicated upon a breach of this duty; in other words, abuse of confidence is the gravamen of the offense."

I should also like to further quote the late Associate Justice Latourette, then Chief Justice, from McKinzie, *supra*, pp. 195-6:

> "If our system of private enterprise on which our nation has thrived, prospered and grown great is to survive, fair dealing, honesty and good faith between [mutually negotiating] parties must be zealously maintained; therefore, if one who has learned of another's invention through [good-faith negotiations for] contractual relationship, such as in the present case, takes unconscionsable and inequitable advantage of the other to his own enrichment and at the expense of the latter, a court of equity will extend its broad powers to protect the party injured. This is in consonance with the rule enunciated in *Consolidated Boiler Corp.* v. *Bogue Electric Co.*, 141 NJEq 550, 58 A2d 759 and *Pidot* v. *Zenith Radio Corp.*, 308 Ill. App. 197, 31 NE2d 385, which in our opinion, are premised on logic and clear reasoning."

Further, at p. 187:

> "Defendants argue . . . that . . . [Micek's device] was not a trade secret because it was sold to the public and generally known prior to the agreement between the parties."

And, at pp. 192-3:

> "It is next asserted that the swivel in question was not a trade secret because plaintiffs had manufactured it previously and had disclosed its mechanism to a great many people. The evidence shows that plaintiffs had manufactured the swivel in question for a short time and had placed it on the market in the hands of retailers for sale and had discussed its manufacture with several machinists; but there is no evidence in the record that anyone other than defendant Cline and the plaintiffs had any knowledge of the inside workings of the gadget. But, even though others might know or become acquainted with the manufacturing process of an article such as we have in this case, would that permit the defendants to violate the confidence reposed in them by plaintiffs to their own enrichment and to the detriment of plaintiffs?"

It is true that no hard and firm contract for the handling the marketing of Micek's device was consummated between the parties; however, in apparent faithful mutuality, Micek in good faith imparted to Company the information of the details of his device, with full expectation that it was to be used by Company for the mutual benefit of the parties and not surreptitiously to his detriment. Company broke faith, and when it had the knowledge of Micek's secret flowing from his thoughts and labors, left Micek standing alone, without the sole benefit of his product, but, in the vernacular, wiser. It was this confidence reposed in it that Company violated.

The facts of this case fall squarely within the concept of equitable cognizance, protection and relief so soundly taught and recognized in McKinzie, *supra*. McKinzie stands in light and line of high authority, state and federal.

I conclude from the facts and the inferences arising therefrom that Company has inequitably used the infor-

mation bearing the novelty and patent of the product of Micek's mind and efforts, to unjustly enrich itself to Micek's injury, over the period of September 17, 1954, until the date Micek received the protection of his patent, on February 19, 1957.

Discussion and Conclusions on Unfair Competition

The evidence fails to establish any unfair competition on the part of Company resulting in injury to Micek and I conclude that his claim therefor must fail.

Discussion and Conclusions on Claimed Estoppel and Unclean Hands

The record in the case is devoid of any evidence of conduct or word on the part of Micek that would estop him in the eyes of equity from asserting infringement or that his hands in a court of equity are unclean, and I so conclude.

Accounting

The Court concludes that Company should timely account to Micek for fair compensation and reward for its infringement of Micek's patent above and for its unjust enrichment arising from its breach of confidence aforesaid. In accomplishment of the accounting, the Court concludes that any issue of accounting should be segregated from the now concluded issues herein and reserved for further hearing and determination upon application of either party. Micek should be entitled to reasonable attorney's fees and costs throughout these proceedings.

Counsel for Micek is requested to submit, on or before 30 days from the date hereof, proposed findings of fact, conclusions of law and decree in conformity with the foregoing.

Dated in chambers at Portland, Oregon, this 29th day of September, 1961.

IN THE UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF CALIFORNIA
CENTRAL DIVISION

Civil Action No. 986-58-PH

RICHARD MICEK, *Plaintiff*,

v.

RADIATOR SPECIALTY COMPANY, a corporation, *Defendant*.

Findings of Fact and Conclusions of Law

The Court makes and enters the following findings of fact and conclusions of law:

FINDINGS OF FACT

. . .

19. During the pendency of the Micek patent application covering Positive, it became involved in a Patent Office interference proceeding with the Branch application covering Company's Seal-O-Matic, and a third application of Edgar W. Detjen which prevailed in the interference proceeding and subsequently became U. S. Patent No. 2,776,437. The Branch application on Seal-O-Matic was dismissed from the interference proceeding because it was admittedly based on a later conceived design than that of either of the other interfering applications. The interference was determined adversely to the Micek application on Positive because Micek formally conceded priority of invention to Detjen as to the subject matter of the interference which appears as claim 3 of the Detjen Patent No. 2,776,437 and which defines the basic structural combination and operating organization of both Positive and Seal-O-Matic.

20. The Micek patent was allowed by the U. S. Patent Office over the disclosure of seven of the twelve prior patents relied on by the defendant, including claim 3 of

the Detjen patent and the entire disclosure of the Detjen patent.

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CONCLUSIONS OF LAW

I. This Court has jurisdiction of the alleged patent infringement cause under Title 28 U.S.C.A. Sec. 1338(a) and Sec. 1400(b) and the misuse of confidence and unfair competition causes under Title 28 U.S.C.A. Sec. 1332.

II. That Letters Patent of the United States No. 2,781,520 issued February 19, 1957 to Micek for Valve Ball Mountings For Toilet Flush Tanks are good and valid in law.

III. That Micek was the original, first, true and sole inventor of the valve ball mountings for toilet flush tanks described and claimed in said Letters Patent No. 2,781,520.

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Dated this 28th day of March, 1962, at Portland, Oregon,

WILLIAM G. EAST
United States District Judge

Entered: April 20, 1962